The reason for actual industrial growth during 8th Plan falling marginaly behind the target was mainly because of slowdown in investment and inadequate availabillity of infrastructure.

(d) The target of industrial growth for the Ninth Plan is yet to be finalised by the Planning Commission.

Selection of Professionals for Navratna PSUs

62. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Search Committee formed by Government has selected professionals for the boards of the Navratna public sector undertakings;

(b) if so, whether Government have accepted the recommendations; and

(c) if not, by when these appointments will be cleared by Government?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL): (a) Yes; Sir.

(b) In respect of 5 Navratna PSEs, Government has approved the appointment of four non-official directors each.

(c)The proceess of induction of non-official directors in the remaining six Navratna PSEs is in progress and appointments will be made as soon as the requisite formalities are competed.

Board level changes in Navratna PSUs

63. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that of the even Navratna public sector undertakings only three have actuay seen changes in their boards;

(b) if so, the reasons therefor;

(c) whether Government are aware of the fact that due to non effecting any change in the Boards, the companies have not been able to move ahead with their investment pans under the Navratna Policy; and

(d) by when Government propose to bring in the necessary changes?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL): (a) Yes; Sir.

(b) and (d) Government has approved the appointment of non-official directors on the Boards of two other Navratna PSEs also. In the remaining six PSEs the process of induction of non-official directors is in progress and appointments will be made on completion of the requisite formalities.

(c) Yes; Sir.

Sluggish Industrial Production

64. DR. MANMOHAN SINGH: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the industrial production during the current fiscal year continues to remain sluggish;

(b) whether the packages announced by Government thus for have failed to stimulate industrial activity; and

(c) if so, what further steps are contemplated to accelerate the pace of industrial activity?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) The industrial growth during the current financial year 1998-99 for the period April-September is 3.6% as compared to 6.0% during corresponding period of the previous year shows a slowdown in production.

(b) The slowdown in industrial growth can be attributed to both the domestic and exernal factors. Domestic factors include weak demand on account of inadeequate investment in infrastructure sectors, like power, ports and transport, and slow down in general investment mainly due to capital market conditions and partly due to corporate restructuring in some industries in order to become internationally competitive. On the external side, the export growth has been negative which has been aggravated by fall in world exports.

The demand has been slackening for basic good like steel, cement, commercial vehicles, capital goods as well as consumer durables. This has resulted in cut back of production by the industries and build-up of inventories.

Export growth declined to (-) 3.28% during Apri-September 1998, following significant deceleration from 21.4% in 1995-96 to 4% in 1996-97 and just 2.6% in 1997-98. As exports constitute 39.7% of total manufacturing output in the country the decline in exports has adversely impacted industrial production.

(c) In order to arrest the slowdown in industrial growth Government have taken various measures during the Budget 1998-99 and thereafter to stimulate and revive industrial growth. The package of measures announced in the Budget inter alia, included.

(i) de-licensing of coal and lignite, and petroleum refining to attract larger inflow of capital (sugar was also subsequenty delicensed).

(ii) increase in limit for aggregate investment by NRIs raised from 5% to 10%.

(iii) rationalisation of tariff structure by introducing 4% special additional duty of customs to remove disadvantages faced by the domestic industry.

(iv) Plan outlay for Energy, Transport and Communications stepped up by 35% to Rs. 61,146 crores in 1998-99 (BE) as against Rs. 45,252 crores in 1997-98 (RE).

(v) Central and State Electricity Regulatory Commissions to be set up to rationalise power tariffs.

(vi) FEMA to be introduced and FERA to be repealed.

(vii) Urban Land Ceiling and Regulation Act (ULCRA) to be repealed, which would lead to a step up in construction activity and demand for materials such as cement, steel etc.

In order to give a further boost to industry Government has announced further measures, which include:

(i) Speciall package announced for revival of growth in exports.

(ii) The Government has recently allowed buy back of shares and inter-corporate loans to boost investment and revive the capital market.

(iii) To give an immediate boost to industrial activity, the busy season credit policy announced by RBI has avoided raising interest rates.

(iv) Counter guarantees given by Government to three major fast track power projects are expected to lead to financial closure and thus create demand for basic and other goods.

(v) Six lane, 7000 km. highways at a cost of Rs. 28,000 crores are to be taken up immediately.

(vi) Government has agreed to permit 40% foreign equity limit in the insurance sector. A Bill to this effect would be introduced in the coming session of the Parliament. The opening up of the insurance sector would provide long term finance for the infrastructure sector.

(vii) Government is conscious of the need for the revival of the industrial sector and has constituted Four Task Forces for Steel, Capital Goods. Commercial Vehicles and Cement to recommend policy interventions to address the problems faced by these sectors. The Task Forces have submitted their recommendations to the Government. The Government has allready notified exemption of seven inputs used in steel manufacturing from the 5% special customs duty. The policy announcements relating to other sectors are expected shortly.

(viii) Government has constituted an Economic Advisory Council to the Prime Minister and the Council on Trade and Industry to the Prime Minister which would discuss policy measures on important economic issues.

It is expected that the slowdown in current years' growth would be arrested and the growth would pick up as a result of the various measures announced.

देश कितने-कितने प्रतिशत है**; में नमक का उत्पादन**

65. **श्री चीमनभाई हरीभाई शुक्ला** : क्या उद्योग मंत्री यह बताने की कृपा करेंगे किः

(क) देश में नमक के कुल उत्पादन में महाराष्ट्र और गुजरात का हिस्सा